The A. F. of L. Weekly News Service gives news accurate and editorial interpretations of matters affecting labor occurring in the industrial, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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WHOLE NO. 1605 — WILLIAM GREEN, President — WASHINGTON, D. C., TUESDAY, JANUARY 13, 1942 — GEORGE MEANY, Secretary-Treasurer — VOL. 32, NO. 2

FACING the FACTS

With PHILIP PEARL

America needs more guns, more ships, more tanks and more warplanes. To get these, it needs more industrial production, more labor, more materials and above all, more money.

How is the nation going to get this money? President Roosevelt explained that very simply in his annual message to Congress. "Taxes and bonds," he said, "and bonds and taxes."

Taxes hurt. They hurt the working man more than anyone else. Once you pay out your money in taxes, you will never see it again.

Beyond this, is the obvious fact that the Government can never impose taxes heavy enough to raise the 56 billion dollars the President has set as the cost of the victory program in the next fiscal year. That sum is half of the estimated national income. The Government can't tax to that extent without crippling the country.

The only other solution, therefore, is borrowing, which means bonds. There are many kinds of borrowing. The Government could get all the money it wants from selling bonds to banks, but that is dangerous. Experience shows that when the banks become overloaded with Government bonds inflation results. And the one thing that always and each and every one of us cannot afford right now is sky-rocketing inflation.

But there is another kind of borrowing that is safe and more feasible—a constructive and thrifty form of borrowing in which each of us can play his part.

America Asks For Help

We refer, of course, to the defense bond program. Under that program, the Government is asking every one of its citizens for a loan. Such an appeal needs no slogans to sell it to American workers. It needs no arguments. When America asks for help, we would feel like traitors if we refused.

But there are some aspects of this defense bond program which need clarification so that the workers of America will understand their weekly wage for a living can understand why it is so vital that they set aside part of that wage each and every pay day for the purchase of defense bonds. That is why we are going to venture some explanations.

As soon as the defense bond program got under way the American Federation of Labor went to the Treasury Department and bought $50,000 worth of the bonds. Right down the line, affiliated unions and central labor bodies and unions followed suit. Many of them would have liked to buy more than $50,000 worth. But that is the limit the Government can buy.

Now these purchases amount to a sizeable chunk of money, from our point of view, but it is only a drop in the bucket compared with what the Government needs. The Government does not need millions. It needs billions. It does not need lump sum purchases which end when they begin. It needs a steady and continuous flow of funds week after week. It needs your $1 or $2 bills week after week. This inland of money from the millions adds up to billions much quicker than $1,000 bills from the few that can afford such purchases.

Sign Up Now

So don't buy one or two or three $25 bonds and think you've done your bit. That isn't what the Governments wants. It isn't what the Government needs. In order to do your part you should sign up at once on an allotment plan by which whatever sum you are going to be allotted from your pay each week toward the continuous purchase of bonds. Go to your union local and your employer and tell them you want to do this. You will find them anxious to cooperate. And don't be content with assigning a fraction of two per cent of your pay for this purpose. Make it five per cent or 10 per cent, according to your means and your patriotism. Generally, a worker averaging $40 or $50 a week can afford to turn over $4 or $5 a week to Uncle Sam when it calls for help.

And make no mistake about it—this is no gift. It is an investment of the safest and wisest order. When this war is over, there is going to be an awful letdown in production. Jobs will be much scarcer and the reconstruction period is bound to be painful. You can help yourself against that coming if you have a nest-egg of defense bonds to fall back upon and carry you over this trying period.

The only way you can lose your investment is for America to lose the war. We refuse to contemplate such a possibility because that way we lose everything. We cannot let that happen. And the best way we can prevent it from happening is by saving every week from our pay as much as we can possibly afford in defense bonds.

So, let's go. Don't hesitate or delay. Don't wait to see what the other fellow is doing. Let's try individual effort as our first on the pay allotment plan and then get after the other fellow who hasn't. If you do this, America and the American Federation of Labor will give you their blessing. If you fail, you are failing down on the job of protecting America and yourself.

THE TASKS BEFORE US

An Extract From The January Issue of The AFL Monthly Survey

The Victory Program calls for production of $56,000,000,000 worth of war equipment in fiscal 1943, three times our present production rate. Today we are producing at the rate of about $1.5 billion per month; this must rise to more than $4.5 billion. In 1941 our national income was about $90 billion and 15 per cent of it went to the war effort; by the fiscal year of 1943 it must produce at the rate of a $110 billion total, with half the national income going for war material and supplies.

At the end of September, 81 per cent of the Army and Navy contracts for war materials (of more than $50,000) were in the hands of 100 corporations, and 54 per cent were held by 15 corporations. Although there are 80,000 plants that could be converted to war work, all of these contracts were held by only 3,022 companies. This shows alarmingly slow progress in conversion. The jam of orders in a few companies means months of delay in deliveries. (Figures are from Office of Production Management.)

The six months just ahead of us, January to June 1942, is the crucial period for American labor and industry when swift conversion must bring every possible plant that can help into the war effort. Upon the speed with that defense production could be added to normal civilian production and undertook a huge program of building new plants for defense work. We now know, in 1942, that the nation must enlarge its plan to a total war economy. The first industry-wide conversion is in automobiles, where civilian production has been stopped and $6,000,000,000 of war work has been allotted. Some 800,000 workers must shift from civilian to war work; there will be problems of retaining and transfer.

The plan for conversion being considered by OPM is patterned on English experience. In any industry there are many types of goods, such as refrigerators or stoves, many plants can be quickly converted to war production because they have machine shops, engineering staff, and precision machinery. Others have no machines able to do the precision required, and cannot be converted. In England, the following plan enabled the nation to shift from civilian into war work in time to stop Hitler's invasion: (1) All plants capable of conversion to war work were ordered converted; (2) civilian needs were filled by those plants which could not be converted, but which were well able to handle their usual type of civilian work; (3) the most economical civilian plants were worked full time, using as many as were needed—the rest were closed. All operating plants paid a small sum each month into a compensation pool, out of which funds were available to closed plants for maintenance and repair and to converted plants for a reserve to use for conversion back to civilian work after the war. Decisions as to which plants should be converted, and which closed, were made by the members of the industry concerned; representatives of labor as well as employers had a voice in these decisions. Some similar plan will probably be followed in this country.

The American conversion program will protect workers as well as managements during the transfer period. Seniority rights must be guarded, skilled workers must be given work which will use their skills to the greatest advantage, unemployment during the shift must be reduced to the lowest possible minimum. Floyd Odlum, Director of Contract Distribution, estimates that 2 per cent of our scarce material supply could keep small companies alive for 6 months—long enough to determine whether they are needed for defense or civilian production.

This small contribution is necessary to save vital producing capacity and protect workers and managements in these plants.

Our great task is to make up time—to overcome the Axis headstart. The new Victory Program is a challenge to every worker and every employer in America. We can meet the challenge, but only if we are united in the full cooperation of labor and management. This can only be achieved if labor and management are given real representation in all war production policy making and activities. Already workers and employers are showing their patriotism throughout the country; they have sprung to redoubled action since war was declared. Another production is December was double that of October; in an American Federation of Labor plane factory cooperation of unions and management increased production 70 per cent in the first war weeks.

AFL Will Put Huge War Program "Over The Top," Council Pledges

Labor and Industry Will Complete Victory Production Goal on Schedule, Says Executive Council

Washington, D. C.—The Executive Council of the American Federation of Labor, pledged that American workers will do everything within their power to put President Roosevelt's 56 billion-dollar victory production program over the top on schedule or ahead of schedule.

At the opening of its regular mid-winter meeting, the Executive Council gave the Government an unrestricted commitment of all-out support.

Because labor has everything at stake in this war and because it has the utmost confidence in the American Government, the members of the American Federation of Labor will work harder, they will put in longer hours and they will cheerfully assume every sacrifice" to speed victory, the Council said.

In order to maintain the confidence of the workers and to widen understanding of the need for sacrifices and to assure continuous all-out cooperation, the Executive Council asked that the American Federation of Labor be given representation on all Government agencies whose policies and decisions affect the interests of the workers. The Council pointed out that in Great Britain, labor plays a full part in the war effort and because labor, in their nation's defense, labor enjoys full representation in the Government and is consulted before any policies affecting workers are put into force."

The Council declared that the AFL does not seek the right to manage industry, nor does it want to encroach upon the managerial functions of industry. The text of the Council statement follows:

"The American Federation of Labor stands ready to carry out every requirement of President Roosevelt's 56-billion-dollar victory production program.

"We have full confidence that American labor and American industry, in close cooperation with our Government, will put this program over the top on schedule or ahead of schedule.

"The President has told us that labor must keep the wheels of industry turning twenty-four hours a day, seven days a week. This can be done and it will be done in every vital war industry. The American Federation of Labor, its affiliated unions and its five million members will do everything in their power to see to it that it is done.

"The basic principle of the American Federation of Labor always has been that labor's first duty is to America. This is especially true now that America is at war and that the enemies of democracy. Labor has everything at stake in this war. Unless America is victorious, all that we have built in the trade union movement has won will be wiped out and American workers will be enslaved.

"With this clear realization in mind, the members of the American Federation of Labor will work harder than ever before, they will put in longer hours and they will cheerfully assume every sacrifice our Government calls upon them to make in order to win the war.

"We have full confidence in the purposes and policies of the American Government. We know that the Government is trying to maintain labor standards, not to destroy them. Because of this confidence, the members of the American Federation of Labor are responding to the nation's call for service in a cheerful spirit.

"In order to maintain this confidence, in order to promote full understanding of the need for sacrifices and in order to assure continuous, all-out production effort, the Executive Council asks that the American Federation of Labor be represented on all Government Boards and agencies whose policies and decisions will directly affect the interests of the workers.

"If hours of work must be lengthened, if conditions of work must be changed, no one is better qualified than the representatives of the American Federation of Labor to give practical counsel and advice in the formulation of such new policies. If additional sacrifices must be called for from time to time, no one is in a better position to convince the workers of America of their necessity than the representatives of the American Federation of Labor who have played a part in reaching such decisions.

"This is not revolutionary theory. It is not a new or untried experiment. The experience of Great Britain, where labor is fully represented on the Government, where labor always is consulted before rulings affecting labor are made, has proved that the men and women of labor have sparked like heroes in their country's defense, should teach us the value of labor's contributions to all-out war effort in a free land.

"The Executive Council wishes to make it clear that it does not ask for the right to manage industry, or to interfere in purely managerial matters. We freely concede to industry the right to function in the managerial sphere to accomplish its part in the production program and in accordance with the policies of the Government. What we ask is the right of labor to be represented in any Government policy-making agency which controls the welfare of American workers. We ask this not only to protect the workers we have chosen as to speak for them, but to help America marshal the full power of its human resources for victory."

Organized Labor To Be Represented On Defense Communications Units

Washington, D. C.—Labor will receive a full place on the committees of the Defense Communications Board which are to plan the work of Defense communications by the fiscal year 1943, under war conditions, James Lawrence Fly, DCB chairman, said.

As a result of a recent meeting between the Labor Advisory Committee and DCB, the board will invite representatives from labor to act on several committees, handling the problems of aviation, cable, domestic broadcasting, international broadcasting, radio communications, telegraph and telephone.

Labor's views will be sought and used more effectively in the formulation of basic plans affecting communication systems in the emergency, Chairman Fly.

The attitude of the DCB was outlined in a letter to Robert J. Watt of the American Federation of Labor, Paul E. Griffith of the National Federation of Telephone Workers and Joseph F. Knight of the Commercial Telegraphers Communications Association.

"You gave me your assurance," Mr. Fly wrote, "that you would use great care in selecting nominees for the various committees and I would certify to the board American citizens of responsibility and outstanding ability in the particular fields concerned, who will have the single aim to serve as best possible the interest of national defense and security.

"The board members as a whole were impressed with your ability and loyal determination for constructive work in the prosecution of the war which was reflected by each of you as the leaders of different, and, might add, heretofore differing, labor organizations."

AFL Protests Transfer of U. S. Agencies And Congress Acts To Halt Exodus

Washington, D. C.—Following protests from the American Federation of Labor against the order by the Budget Bureau directing removal of various Government agencies from Public Building in the District of Columbia to other cities, Congress acted quickly to halt the proposed exodus.

A group of Senate and House leaders were invited in an interview with President Roosevelt on the matter after Senator McCarran had introduced a resolution declaring that the Budget Bureau order was without authority in law and requiring the action of Congress. The resolution further provided that no Government agency should be moved from Washington without the consent of Congress.

The entire problem was first canvassed at a special meeting of the National Joint Legislative Conference of the American Federation of Labor and the Railroad Brotherhoods to which Senator McCarran was invited. William C. Hushing, chairman of the AFL legislative committee, presided at the conference which grew out of a strong declaration opposing the transfer of Government agencies to other cities.

President William Green then transmitted this declaration to President Roosevelt. The President was informed that the proposed transfer was unnecessary, that it would entail unwarranted expenditures and that it would work incalculable harm to the efficiency of Government operations and that it would be destructive of the morale of Government employes.

The declaration by the conference further pointed out that there is ample government-owned land in the District of Columbia for the erection of temporary office buildings to provide new space for expanded Governmental activities and for the construction of sufficient housing for new Federal employes coming into the city. This construction program, the declaration of the Building and Construction Trades Department estimated, could be completed in from 90 to 120 days and the cost would not be high.

Following the adoption of these protests to President Roosevelt, Mr. Hushing appeared before a joint meeting of the Senate and House District Committees to testify against the proposed transfer. At this hearing, a mystery developed as to just who had ordered the transfers in the first place and why. As a result it was decided that a conference be held with President Roosevelt to find out the solution to the mystery. The Director of the Budget refused to appear at the hearing and no justification was presented for the removal order.

News Briefs

AFL MEMBERSHIP REACHES NEW ALL-TIME HIGH MARK

Washington, D. C.—The American Federation of Labor gained 258,668 new members in the last four months of 1941, bringing its total dues-paid membership as of December 31 to an all-time high of 4,867,724, Secretary-Treasurer George Meany announced. This figure does not include a Canadian membership estimated at 500,000 which is not on a dues-paying basis. The previous membership record of the Federation was recorded last August 31 when the figure was 4,569,056.

Most of the new gains in membership were attributed to defense industries and in miscellaneous plants hitherto unorganized, Mr. Meany said.

AFL AIDS U. S. WORKERS INJURED AT PEARL HARBOR

Washington, D. C.—The American Federation of Labor has sent a check for $5,000 to John A. Owens, AFL representative in Honolulu, to be used for the relief of American workers injured in the attack on Pearl Harbor. The Navy Department officially has lauded the heroic conduct of these workers during the attack.

MILLIONS IN BACK PAY SOUGHT BY "RED CAPS"

Washington, D. C.—A test case that may determine whether millions of porters in back pay will be won by nearly 7,000 "red caps" in the nation's railroad terminals was argued before the Supreme Court by the Brotherhood of Railway Clerks, represented by Judge Charles M. Hay of St. Louis. The suit was brought to bring a final ruling on whether employers can sum-up the wages and then escape paying the minimum wage required under the Wage-Hour Act.

It reached the high tribunal on two suits filed by the Clerks, one against the Dallas (Texas) Union Terminal and the other against the Jacksonville (Fla.) Terminal.

METAL TRADES OFFICIAL FAVORS SEVEN-DAY WEEK

Washington, D. C.—Uncle Sam's refusal to let industry keep machines going seven days a week has cost 100 per cent support, Joseph S. McDonagh, secretary-treasurer of the A. F. of L. Metal Trades Department, declared.

"We're all for 'round-the-clock operation, with the machines going 168 hours each," McDonagh said. "Such work can be staggered so that, while machines run, the men and women employ need toil over 40 hours a week."

McDonagh proposes to open up a practical plan for continuous operation of industrial production facilities in a nation-wide broadcast.

BILL ASKS INSURANCE FOR HEROIC WORKERS

Washington, D. C.—In tribute to the civilian workers who displayed such heroism under fire at Pearl Harbor, Guam and Wake, Rep. Coffee of Washington introduced a bill granting insurance benefits to the dependents of those workers who lost their lives or may be killed in the future at military, naval and air outposts.

The bill provides a $5,000 death benefit. It applies to workers, whether employed by the United States or by private contractors engaged in the construction, operation or maintenance of military, air or naval bases outside the United States but subject to the jurisdiction of the United States thereof, who dies or has died since Dec. 6, 1941, from injury suffered or sickness caught in the course of such employment or as a result of enemy action.

$5,000,000 DEFENSE BONDS TO BE BOUGHT BY HATTERS

Washington, D. C.—Max Zaritsky, president of the United Hatters, Cap and Millinery Workers, announced the opening of a drive for the purchase of $5,000,000 of defense savings bonds by the members of that union. Mr. Zaritsky wired President William Green that the members of the union will purchase all of these bonds in the limit of their ability.

HOTEL WORKERS PLEDGE $500,000 FOR WAR EFFORT

New York, N. Y.—Workers in New York hotels organized in the American Federation of Labor pledged $500,000 out of their own pay checks to purchase defense bonds and support the American Red Cross War Fund drive, and will take a full part in all civilian defense activities.

The program was adopted by 800 shop chairmen and shop delegates of the New York Hotel Trades Council, representing hotels employing 50,000 workers in the organized trades, at a meeting at the Hotel Astor.

President Names War Labor Board To Settle All Industrial Disputes

Meany and Woll Named as AFL Representatives With W. H. Davis Serving as Chairman

Washington, D. C.—To prevent interruptions of war production by strikes or lockouts and to guarantee every American worker a square deal, President Roosevelt created by Executive Order a National War Labor Board composed of twelve members representing labor, industry and the public.

The President's action was hailed by President William Green and the Executive Council of the American Federation of Labor which originally recommended such a board to stabilize industrial relations.

The AFL leaders promptly pledged full cooperation to the National War Labor Board and called upon all AFL organizations and members to govern themselves in accordance with the board's rules and procedure.

Two AFL representatives were named to the War Labor Board by President Roosevelt. They were Secretary-Treasurer George Meany and Vice President Matthew Woll. As their alternates the President appointed Martin P. Durkin, secretary-treasurer of the United Association of Plumbers and Steamfitters; and Robert J. Watt, international representative of the AFL.

William H. Davis will serve as chairman of the new board. He was chairman of the National Defense Mediation Board which the President abolished in his Executive Order. The other public representatives will be George W. Taylor, of the University of Pennsylvania; Dean Wayne L. Morse, of the University of Oregon Law School, and President Frank P. Graham of the University of North Carolina.

Representing the CIO will be Thomas Kennedy, of the United Mine Workers, and R. J. Thomas, of the United Automobile Workers.

Employer representatives will be Albert W. Hawkes, president of the United States Chamber of Commerce; Roger D. Lapham, chairman of the American-Hawaiian Steamship Co., P. J. McMillan, president of the Standard Knitting Mills, Inc., and Walter C. Teagle, chairman of the Standard Oil Company of New Jersey.

The text of the Executive Order creating the board follows:

Whereas by reason of the state of war declared to exist by joint resolutions of the Congress, approved Dec. 8, 1941, and Dec. 11, 1941, respectively (Public Nos. 328, 331, 331, 327, Seventy-seventh Congress), the national interest demands that there shall be no interruption of any work which contributes to the effective prosecution of the war; and

Whereas as a result of a conference of representatives of labor and industry which was held at the call of the President on June 12, 1941, it has been agreed that for the duration of the war there shall be no strikes or lockouts, and that all labor disputes shall be settled by peaceful means, and that a National War Labor Board be established for the peaceful adjustment of such disputes;

Board of Twelve Members

Now, therefore, by virtue of the authority vested in me by the Constitution and the statutes of the United States, it is hereby ordered:

1. There is hereby created in the Office for Emergency Management a National War Labor Board, hereinafter referred to as the board. The board shall be composed of twelve special commissioners to be appointed by the President.

Four of the members shall be representative of the public; four shall be representative of employes, and four shall be representative of employers. The President shall designate the chairman and vice chairman of the board from the members representing public.

The President shall appoint four alternate members representative of employes and four representative of employers, to act as members of the board in the absence or regular members representative of their respective groups. Six members or their alternate members of the board, including not less than two members from each of the groups represented on the board, shall constitute a quorum. A vacancy in the board shall not impair the right of the remaining members to exercise all the powers of the board.

2. This order does not apply to labor disputes for which procedures for adjustment or settlement are otherwise provided until those procedures have been exhausted.

3. The procedures for adjusting and settling labor disputes which might interrupt work which contributes to the effective prosecution of the war shall be as follows:

(a) The parties shall first resort to direct negotiations or to the procedures provided in a collective bargaining agreement.

(b) If not settled in this manner the commissioners of conciliation of the Department of Labor shall be notified if they have not already intervened in the dispute.

(c) If not promptly settled by conciliation, the Secretary of Labor shall certify the dispute to the board, provided the board in its discretion after consultation with the Secretary may take jurisdiction of the dispute on its own motion. After it takes jurisdiction, the board shall finally determine the dispute and for the settlement thereof may use such conciliation, voluntary arbitration or arbitration under rules established by the board.

(d) The board shall have power to promulgate rules and regulations appropriate for the performance of its duties.

5. The members of the board (including alternates) shall receive necessary traveling expenses, and, unless their compensation is otherwise prescribed by the President, shall receive in addition the sum of $25 per diem or such part of subsistence expense on such days as they are actually engaged in the performance of their duties pursuant to this order.

The board is authorized to appoint and fix the compensation of its officers, examiners, mediators, umpires, and arbitrators; and the chairman is authorized to appoint and fix the compensation of other necessary employes of the board. The board shall avail itself, in so far as practicable, of the services and facilities of the Office for Emergency Management, and of other departments and agencies of the government.

Board Will Absorb the NLRB

6. Upon the appointment of the board and the designation of its chairman, the National Defense Mediation Board established by Executive Order No. 8716 of March 19, 1941, shall cease to exist. All employes of the National Defense Mediation Board shall be transferred to the board without acquisition by such transfer any change in grade or civil service status.

All records, papers and property, and all unexpended funds and appropriations for the use and maintenance of the National Defense Mediation Board shall be transferred to the board. All duties with respect to cases certified to the National Defense Mediation Board shall be assumed by the board for discharge under the provisions of this order.

7. Nothing herein shall be construed as superseding or in conflict with the provisions of the Railway Labor Act (act of May 20, 1926, as amended, 44 Stat. 577; 48 Stat. 926, 1185; 49 Stat. 1189; 45 U. S. Code 151), the National Labor Relations Act (act of July 5, 1935, 49 Stat. 457; 29 U. S. Code 151 et seq.), the Fair Labor Standards Act (act of June 25, 1938, 52 Stat. 1060; 29 U. S. Code 201 et seq.), and the act to provide conditions for the purchase of supplies, etc., approved June 21, 1936 (49 Stat. 2036; 41 U. S. Code, Sections 35-45), or the act amending the act of March 3, 1931, relating to the rate of wages for laborers and mechanics, approved Aug. 30, 1935 (49 Stat. 1011; 40 U. S. Code, Section 276 et seq.).

Medals For Workers And Unions Asked In Bill By Congresswoman

Washington, D. C.—Distinguished service medals for workers doing an exceptional job in producing defense materials are provided in legislation offered by Congresswoman Edith Nourse Rogers (Rep., Mass.).

Awards may be made to individuals or unions where "excellent performance" is rendered, in the same way that awards are made to soldiers and sailors who distinguish themselves in actual combat. In support of her proposal, Mrs. Rogers said:

"Every one of us knows that the war cannot be won with men alone, no matter how brave and gallant they are. We know that it must be won with the materials of war.

"We know that there is no drama—there is often agony of spirit and mind—during the sweat of production. Much of the production is extremely difficult, and is performed under very trying conditions. I think Congress should provide a distinguished service labor cross, that we may during this great emergency express our deep appreciation to those who make possible the materials essential to the winning of the war.

"It has been proposed that factories provide celluloid buttons for workers who have perfect annual service, but this is not sufficient. To stern commonness of these buttons makes them valueless. There ought to be an award of real distinction. It could go to a union, or to an individual, and should carry real honor on the basis of outstanding service to the nation."